

*Welch also calls on Oversight committee to "conduct vigorous oversight" of economic recovery efforts*

WASHINGTON, DC - Rep. Peter Welch joined President Obama Wednesday morning for the announcement of a major overhaul in government contracting procedures.

Welch, a member of the House Committee on Oversight and Government Reform and a leader in combating contractor fraud, took part in the signing of a presidential memorandum directing administration officials to rewrite contracting procedures.



The new rules would end unnecessary no-bid and cost-plus contracts, identify and eliminate wasteful and inefficient contracts, and enhance oversight in the contracting process. The changes would save taxpayers \$40 billion a year and would make it easier for small businesses and independent contractors to bid on federal contracts.

"It is essential that the American people have confidence that taxpayer money is being spent wisely," Welch said after the announcement. "I am greatly encouraged by President Obama's commitment to eliminate waste, inefficiency and lax oversight in our contracting system."

During the announcement, Obama praised Welch and Oversight and Government Reform Chairman Edolphus Towns for their work on contracting reform.

"I also want to acknowledge a couple of Congressmen - Congressman Towns and Congressman Welch, who have been working diligently on this issue," Obama said.

Video of the press conference [can be found here](#).

Last year, Welch established himself as a leader in rooting out waste, fraud and abuse in federal contracts [by exposing and closing a multi-billion dollar Bush administration loophole](#).

Following Wednesday's announcement, Welch sent a letter to Towns urging the Oversight and Government Reform Committee to conduct full committee hearings on the implementation of the recently-passed American Recovery and Reinvestment Act.

Welch said in the letter, "With a spending package of such magnitude, the responsible and effective use of taxpayer money is of critical importance, and the American people need to know that there is a cop on the beat."

The letter is copied below:

March 4, 2009

The Honorable Edolphus Towns

Chairman

Committee on Oversight and Government Reform

2157 Rayburn House Office Building

Washington, DC 20515

Dear Chairman Towns,

The unprecedented scope of the American Recovery and Reinvestment Act demands that Congress conduct vigorous oversight of the distribution of taxpayer dollars by the government and the use of these funds by recipients. With a spending package of such magnitude, the responsible and effective use of taxpayer money is of critical importance, and the American people need to know that there is a cop on the beat.

The economic recovery package creates and empowers several boards and committees to oversee the program. Perhaps most important of these new entities is the Recovery Accountability and Transparency Board, which will issue quarterly and annual reports as well as "flash" reports - those that respond immediately to individual reports of waste, fraud, and abuse.

The Board is directed to send copies of these reports to Congress - but oversight must not end there. The Committee on Oversight and Government Reform is uniquely positioned to investigate the disbursement and any alleged misuse of funds. I strongly encourage you to commit staff resources and to conduct full committee hearings to examine these reports and ensure that any misuse is pursued and punished.

I hope that cases of fraud or accidental misuse are rare. But when they occur, we owe it to the American people to ensure that Congress is providing strict and aggressive oversight.

Thank you for your consideration of this request.

March 04, 2009

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Sincerely,

PETER WELCH

Member of Congress